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## Attracting and retaining Generation Y engineering and business professionals in the Middle-east

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### Abstract

The Saudi Arabia population demographics signal the retirement of Generation X workers and the entry of a large Generation Y segment. However, little is known about Gen Y professionals in the Middle-East. This study examined the life and work priorities of Saudi Gen Y engineering and business professionals. Results from the Schwartz Value Inventory and Twenge et al.'s (2010) motivational model showed that Saudi Gen Y regarded Security, Tradition and Conformity as most important life values, and were most motivated by intrinsic and extrinsic work motivators. The conclusion provided suggestions for the effective recruitment and retention of Gen Y professionals.

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### 1. Introduction

Companies worldwide are facing the 'Big Crew Change' in their workforce with the retirement of the *Baby Boomers* (born 1946-1964) and the entry of *Generation Y* (born 1980-1999). In the Kingdom of Saudi Arabia, continuity of the workforce in many industrial sectors depends on the successful recruitment, integration and retention of this new group of Generation Y (Gen Y). However, little is known about Gen Y in Saudi Arabia since research on this young cohort had largely been done outside the region. This study aims to examine the life priorities and work motivators of Gen Y professionals in Saudi Arabia, particularly those in the fields of engineering and business, because the entry of this young, large and relatively unresearched group of professionals into the country's workforce poses a challenge to organizations in terms of understanding their work motivations, strengths and aptitudes. The findings would provide greater understanding of this generation which is vital to the region's future.

### 2. Literature review

#### 2.1. *The big crew change: Generational shifts in the Saudi workforce*

A generation is a cohort of individuals grouped by age, and shares the historical and social experiences, behaviors and beliefs common to that time (Cole et al., 2002). There are four generally accepted generational groups labelled

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the *Traditionalists* (born 1925-1945), *Baby Boomers* (1946-1964), *Generation X* (1965-1979) and *Generation Y* (1980-1999) (Rajan, 2007). The *Big Crew Change* refers to the departure of the oldest generation of employees in an industry and the influx of the youngest generation. The term is commonly used in the US to describe the retirement of the Baby Boomers and entry of Generation Y (Gen Y) into the workforce.

To what extent would Saudi Arabia be affected by the *Big Crew Change*? Saudi Arabia has a population of 26.1 million with 79% Saudi nationals and 21% expatriates (2011 estimate) but the pattern is reversed for the labor force. From a labor force of 7.3 million, expatriate workers formed 80% while Saudi nationals were the minority (CIA-The World Factbook, 2011). Although data specifically on Saudi Arabia labor force distributed by generation is not available, an examination of the country's population, distributed by generation indicated that by 2015, Baby Boomers would comprise 9% of the population compared to Gen X (20%), while Gen Y would dominate at 50% (Figure 1). When extrapolated to the workforce population, the retirement of Baby Boomers in Saudi Arabia would have a smaller impact than the retirement of Gen X in terms of worker replacement numbers, knowledge transfer and retention. Therefore, the Kingdom is likely to experience a delayed *Big Crew Change* phenomenon where the impact of a large number of Saudi Gen X retiring would be equivalent to the US Boomers leaving the workplace. Hence there is a critical need to understand what motivates Saudi Gen Y in life and work to successfully recruit, integrate and retain this incoming generation.

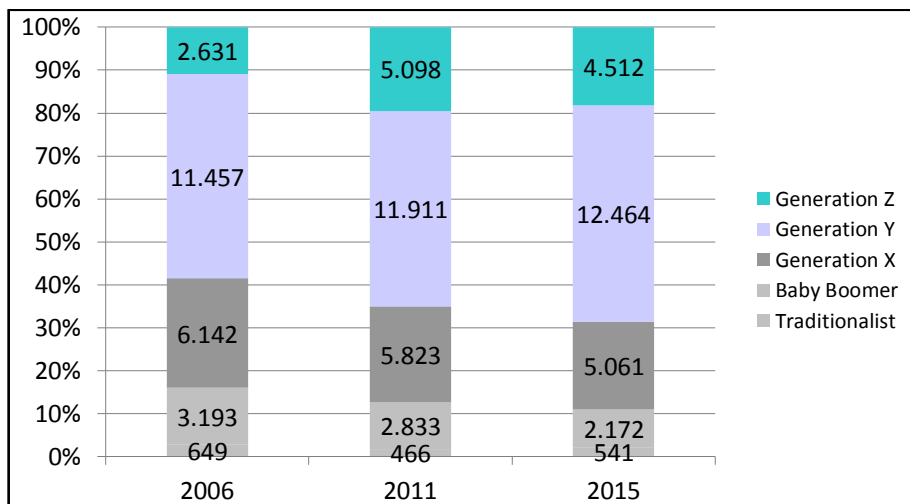


Figure 1. Saudi Arabia population distribution by generation, 2006-2015 (US Census Bureau, 2010)

## 2.2. Studies on Generation Y

As Gen Y enters the workforce, recent research had focused on inter-generational differences in values and attitudes, and implications of the workplace generation gap. This section summarizes main findings on Gen Y values from a range of countries: Malaysia (Munusamy et al., 2010), Thailand (Mujtaba et al., 2010), US (Greenwood et al., 2008), Australia (Treuren & Anderson, 2010) and the United Arab Emirates (Shatat et al., 2010). Although the studies used different instruments (Rokeach Value Scale, Schwartz Value Inventory) and sampled different nationalities, the most common important priorities in life were found to be: *Family security*, *Health*, and values associated with caring for others (*True friendship*, *Benevolence*). Even as life priorities may not differ much between the studies, the means used to achieve these life goals show greater differences. The most common important work values (as employee behavior, values or expectations) were: being *responsible*; having *opportunities for training and development*, maintaining a *work-life balance*.

These findings on Gen Y motivators provided some insight but have limited generalizability since they were not based on the context of Saudi Arabia. It is argued that a generation is a collection of individuals in the same age

range who are bound by shared experiences of that time that shape their values, attitudes, and behavior (Crumpacker & Crumpacker, 2007). However, life-influencing social, economic and historical events differ over time and by geography. The Saudi Gen Y cohort stems from a culturally and religiously distinct region and may have different experiences that uniquely shape their motivations compared to Gen Y from other societies. Given these gaps in knowledge, there is a need for this study to further our understanding of the life priorities and work preferences of Gen Y professionals in Saudi Arabia.

### 3. Methods

Self-administered paper-based surveys, telephone and online (video conferencing) interviews were used to gather data from a purposive sample of engineering and business administrative professionals (n=27). They were employed by a major company in Saudi Arabia, born between 1980-1990, both genders, and mainly Saudi nationals (96%). The survey and interview questionnaires had four parts: demographics, life priorities, work preferences, and suggestions on strategies for recruitment and retention of Gen Y professionals. The closed and open-ended questions provided quantitative and qualitative data that were statistically and interpretively analyzed respectively.

In this study, *life priorities* is defined as the guiding principles in life by which individuals assess the importance of 10 personal values combined into four inter-related and interacting groups (Schwartz, 1994). The *Schwartz Value Inventory* (SVI) was adapted to measure an individual's assessment of the importance of 10 life priorities on four dimensions: self enhancement, self-transcendence, conservation, openness to change. The SVI is based on Schwartz's (1994) values theory which assumes that individuals differ in the importance placed on values; values are a basis for judging appropriate behavior and provide a sense of the future goals individuals would like to achieve. The questions that constitute the operationalized measures are in Table 1.

Table 1. Measures for life priorities construct

Dimensions	Personal Values*	Measures as survey questions**	
Self enhancement (focus on self)	Power, Achievement Hedonism (Q.5a, e, f)	a) Being successful in a high-paying career or profession e) Having lots of free time to relax or do things you want to do	f) Being famous or having social recognition
Self-transcendence (focus on non-self)	Universalism, Benevolence (Q.5c, d, g)	c) Living a very religious life d) Being a good parent	g) Helping other people who are in need
Conservation (seeking stability)	Security, Tradition, Conformity (Q.5b, c, d, i)	b) Having a successful marriage c) Living a very religious life	d) Being a good parent i) Owning your own home
Openness to change (seeking change)	Stimulation, Self-direction, Hedonism (Q.5e, h, j)	e) Having lots of free time to relax or do things you want to do h) Having a varied and exciting life	j) Being independent and able to choose my own goals

\*Options may overlap dimensions. \*\*Q.5 To what extent are the following goals in life important to you personally on a scale of 5 (One of the Most Important) -1 (Don't Know)?

*Work preferences* are the work beliefs and motivators that influence employee behavior (Dose 1997). Twenge et al.'s (2010) model was used to measure the importance of work preferences on five motivational dimensions: Extrinsic, Intrinsic, Leisure, Social/Affiliation, Altruistic. The questions that constitute the operationalized measures are in Table 2. These measures assume that work preferences are the means by which priorities in life could be achieved. In other words, individuals who hold *Self-transcendence* as the most important life priority are likely to also regard the values of *Universalism* and *Benevolence* as very important. Hence, they would be motivated by *altruistic* work motivators such as *having a job that helps society*. The analyses of the data obtained were guided by these measures.

Table 2. Measures for work preferences construct

Dimensions	Measures as survey questions*
Extrinsic	a) Having a job with high salary, status and chances for promotion
Intrinsic	b) Having a job where I can learn new skills and be creative
Leisure	c) Having a job that leaves a lot of time for other things in my life
Social/Affiliation	d) Having a job where I can meet a lot of people
Altruistic	e) Having a job where I can help society directly

\*Q.15 To what extent are the following aspects about your job important to you personally on a scale of 5-1 (One of the Most Important) -1 (Don't Know)?

#### 4. Results and discussion

The respondents were mainly male, single Saudi nationals in their late 20s. All were employed by a major company in Saudi Arabia as engineers or business administrators and most had higher education degrees. Consistent with the age range, most had more than three years' work experience and for 59%, their current job was their first position. Nearly all had an average monthly income of below USD 5,333. Given their single marital status, it was not surprising that most do not own their own homes yet and were living with their parents, relatives or spouse.

The results showed that *conservation* (52.8%) and *self-transcendence* (36.7%) were the Gen Y respondents' **most important** life dimensions. Moreover, they were most motivated by work that offered *intrinsic* (70.4%) and *extrinsic* (37%) rewards (Table 3). These findings were consistent with the assumptions held in this study that there would be a correspondence between choices made for life priorities and work preferences. To elaborate, since respondents seek *stability* in life domains such as family (successful marriage, good parent, home ownership) and spirituality (very religious life), it was not surprising to find that *extrinsic* motivators, which provide tangible means (high salary, status, promotion) to attain stability in life, were also most desired. Moreover, respondents also valued *universalism* and *benevolence* to reach better self-understanding and gain personal meaning in life, so the importance placed on *intrinsic* work motivator was consistent with the life priority.

Table 3. Most important life priorities and work preferences

Life priorities	One of the most important	Work preferences	One of the most important
Conservation	52.8%	Intrinsic motivator	70.4%
Self-transcendence	36.7%	Extrinsic motivator	37.0%
Self enhancement	21.0%	Social/affiliation motivator	25.9%
Openness to change	18.5%	Leisure motivator	22.2%
		Altruistic motivator	22.2%

In contrast, *self-enhancement* and *openness to change* were considered as **less important** life dimensions (Table 3). Consistent with the study's assumptions, *social* and *leisure* motivators were also less desired at work. In other words, since *self-enhancement* and *openness to change* were less important life dimensions, seeking *power*, *achievement*, *hedonism*, *stimulation*, *self-direction* were also not as vital. Hence, it was not surprising to find that *social* and *leisure* work motivators were less desired. Respondents explained that they preferred a more productive use of free time and found inherent satisfaction from the challenging work that they do. Interestingly, given the importance placed on *self-transcendence*, it was surprising that the *altruistic* work motivator was not equally important. This could be explained by the respondents interpreting the altruistic work motivator statement as having a full-time job in social work.

It was initially argued that findings from the studies reviewed may have limited generalizability to the Saudi Arabia context. Interestingly, the common important life priorities (*family security*, *benevolence*) identified in the literature were almost identical with this study where the Saudi sample also valued highly *stability* and *benevolence*.

It could be concluded that the study's findings reinforced Schwartz's (1994) theory that the 10 basic life priorities reflect the core values recognized in all cultures around the world.

## 5. Conclusion and recommendations

In the surveys and interviews, respondents suggested strategies that employers could adopt for recruitment and retention of Gen Y professionals which are summarized below:

- *offer professional training programs* so that Gen Y employees would feel that they are learning new skills and benefiting from working in the company. Moreover, employees may regard their important life goal of seeking stability as achievable when they feel that the organization is investing in their career development.
- *involve Gen Y employees in decision-making processes* that would fulfill their need for transparency and clear directions at work.
- *allow creative space and less direct supervision* so that Gen Y employees would have opportunities to bear greater responsibilities, learn independently and prove themselves. This would fulfill their need for interesting and challenging work that provide intrinsic satisfaction.
- *offer competitive salaries and benefits*. This may be an obvious extrinsic motivator but the reality is that competitive salaries enable the start of a work relationship that could be later sustained by intrinsic motivators.

Since this is a small study that is not claimed to be generalizable to wider population, future research could expand on this preliminary study. Also, given Saudi Arabia's gender segregation policy, it would be particularly interesting to conduct a comparative study on work motivators of male and female Gen Y. As more Saudi females enter the Kingdom's workforce, results from such a study could unveil different patterns in work preferences between genders that could inform better practices in managing this young generation.

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